

CHIEF OPERATING INVESTMENT OFFICER REPORT
INVESTMENT OFFICE
September 12, 2011

Board Assignment Status

Assignment Date	Request / Subject	Due Date	Status / Completed Date
2009			
September IC	Provide a several page explanation on the Global Equity technology to support the capital allocation process.	2011	In April, the last phase of the Global Equity Capital Allocation Process project began. Staff continues to confer with the IC Chair to determine the content and format for the report to the IC. The system will also be reviewed by the Investment Strategy Group (ISG) prior to presentation to the IC.
2010			
February IC	Neutrality Trial - Responsible Contractor Program Policy – After a one-year period, bring back a report on the possibility of including construction contracts in the policy.	August 2011	This report is scheduled for the August IC meeting. Completed 8/15/11
August IPSC	The Chair directed staff to address the issue of whether general consultant and asset class consultant participation in spring-fed pools has resulted in a policy conflict and report back at a future meeting.	December 2011	The Private Asset Class Board Investment Consultants Policy was approved at the August IC meeting. The proposed General Pension Consultant, Backup to the General Pension Consultant, and Public Asset Class Board Investment consultant will be discussed at the October IPSC meeting.
September FC	Begin discussions regarding consultants hired on retainer or in a pool on a special contract.		
2011			
April IC	California Investments Update – request a senior staff member be designated lead for working with the Governor’s Office and the State Treasurer’s Office on California investment initiatives.	September 2011	Appropriate action will be taken and the IC notified.
June IC	Real Estate Board Investment Consultant RFP – requested that adequate time be scheduled for the Committee to interview the candidates and make evaluation criteria explicit in the RFP	December 2011	The RFP will be released July 2011 and the interviews will be held in December 2011
June IC	Regarding delegations, it was requested that as Board governance is reviewed that delegations be revised as needed.	Fall 2011	Revisit delegations for possible substantive and dollar limit changes.

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June IC	Risk Management Quarterly Update – requested that trend information be included in future reports	September 2011	Trend data will be included in the next quarterly report – September 2011
June IC	Treasurer requested that policy be established on corporate political campaign spending	August 2011	Staff will prepare proposed revision of the Global Principles of Accountable Corporate Governance for consideration at the August 2011 IPSC meeting. A Second Reading is scheduled for the October IPSC meeting.
June 2011 IPSC	Real Assets-Infrastructure Policy – request that the Committee be informed on control points in the staff procedures manual	Fall 2011	Key control points will be discussed in a future Infrastructure Report.
August 2011 IC	Role of the Private Asset Class Board Investment Consultants Policy was approved as amended.	August 2011	Staff was directed to prepare language for urgent consultant engagement situations and send it to the Chair for approval prior to posting online. Completed 8/19/11
August 2011 IC	Absolute Return Strategies (ARS) Allocation – The Chair directed that continued discussion on this subject be scheduled for a future meeting.	September 2011	ARS Allocation discussion has been scheduled for the September IC meeting.
August 2011 IPSC	The Chair requested that a standard approach be developed for future agenda item memos.	October 2011	Staff will develop and consult with the Chair regarding a standard agenda item framework for implementation for October IPSC agenda items.

Other Items of Interest

Item of Interest	Status / Completed Date										
Consolidation of Board Reporting Package	<p>As part of a 100-day Rapid Results project, a cross-asset class team consolidated the Board Reporting Package (formerly consisting of the Chief Investment Officer Report, the Consolidated Investment Activity Report and the Supplemental Reporting Document).</p> <p><u>Final Outcome</u></p> <table> <tr> <td>From:</td><td>To:</td></tr> <tr> <td>• 3 separate reports</td><td>• 1 consolidated report</td></tr> <tr> <td>• 265 pages</td><td>• ≈ 30 pages</td></tr> <tr> <td>• 2.65 pounds</td><td>• .30 pounds</td></tr> <tr> <td>• The Board Reporting Package</td><td>• Total Fund Update</td></tr> </table> <p>The Board Report utilized for the September Investment Committee open meeting reflects the new consolidated effort.</p>	From:	To:	• 3 separate reports	• 1 consolidated report	• 265 pages	• ≈ 30 pages	• 2.65 pounds	• .30 pounds	• The Board Reporting Package	• Total Fund Update
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